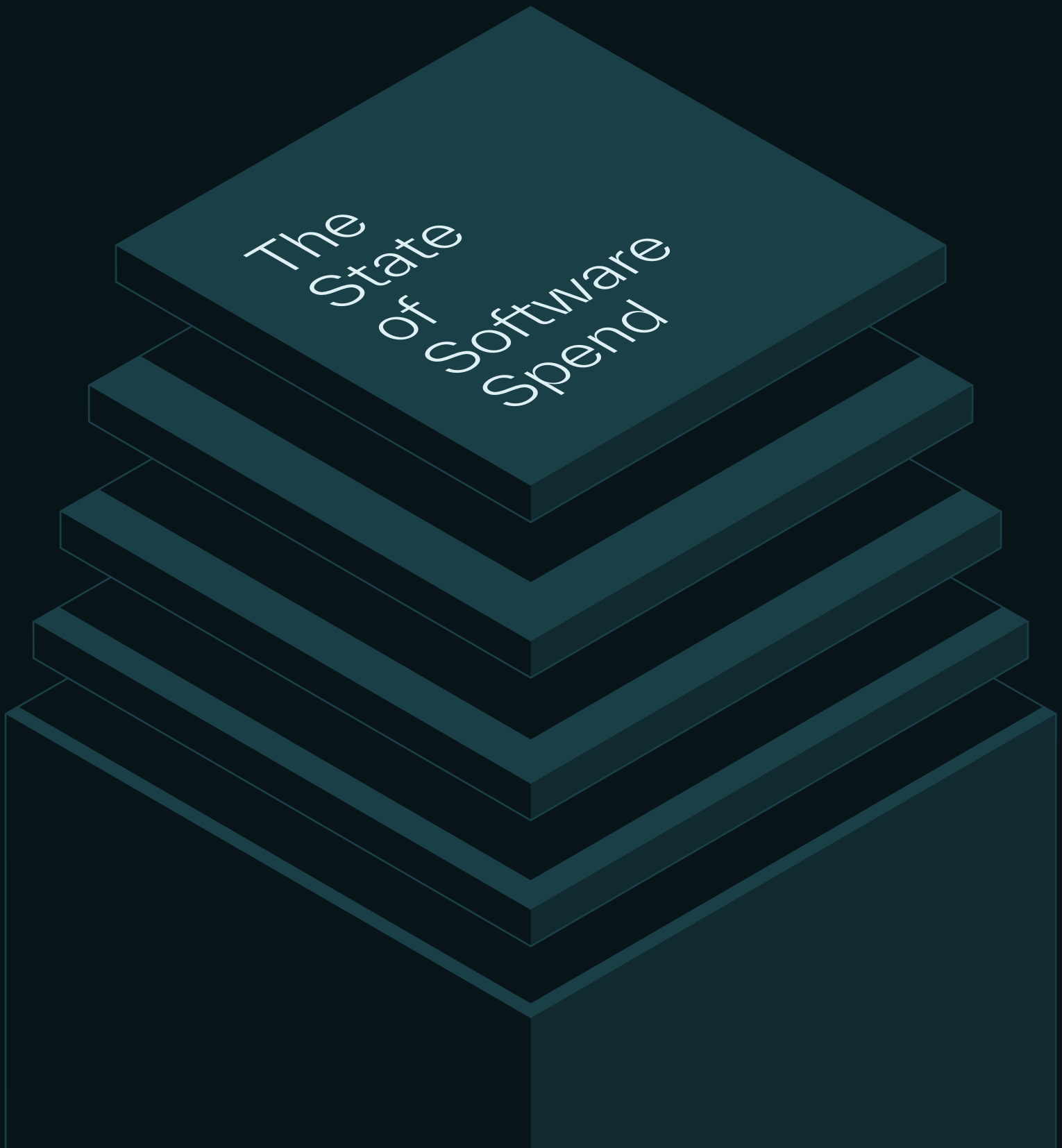
Stackpack

2026 Annual Report

Insights for CFOs and Financial Leaders



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INTRODUCTION

Software Spend in the Age of AI

AI is transforming how mid-market companies manage their software stacks—not just by adding tools, but by reshaping spend and the way leadership teams think about software. It adds complexity even as it promises efficiency.

For the past several years, Stackpack has studied how mid-market Finance, Operations, and IT teams adopt software and manage spend—analyzing vendor growth, churn, AI adoption, usage-based pricing, and the growing variability across stacks.

In 2025, AI adoption accelerated: AI-native tools now represent 17.5% of the average software stack. Overall software budgets grew nearly 20%, concentrated in cloud, core infrastructure, and AI-powered go-to-market tools. While the Top 25 vendors like LinkedIn, Zoom, Microsoft, and Adobe remain dominant, AI entrants such as OpenAI, Cursor, and Anthropic are moving into the top tiers.

The 2026 Stackpack Annual Report highlights which vendors are gaining traction, how AI is embedding into core workflows, and how CFOs can manage spend, risk, and vendor dependency in a volatile market.

We hope this report gives leaders a clear view of the evolving software landscape—helping them make smarter, more strategic decisions in 2026 and beyond.

Sara Wyman
Founder & CEO

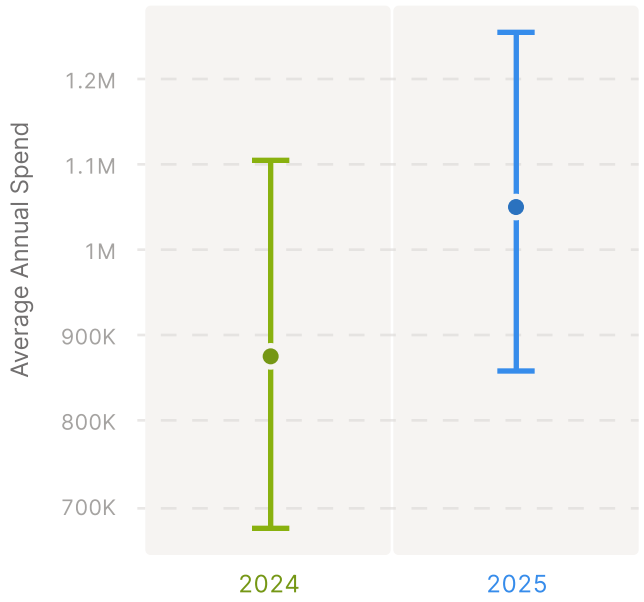
Inside the 2025 Software Spend Shift

Software budgets grew nearly 20% in 2025, driven by AI and core systems, but front-loaded buying gave way to a midyear pullback as volatility reshaped how CFOs manage their vendor stacks.

Mid-Market Software Spend Accelerates in 2025

Contrary to what headlines may suggest, software spend amongst mid-market US companies grew sharply in 2025 - rising nearly 20% year over year. Mean annual software spend increased from $879,464 (2024) to $1,052,078 (2025) (+20.4% YoY) per company, while median spend rose from $566,047 to $708,289 (+25.1% YoY).

Fig. 01 Average Annual Spend per Buyer (2024 vs 2025)

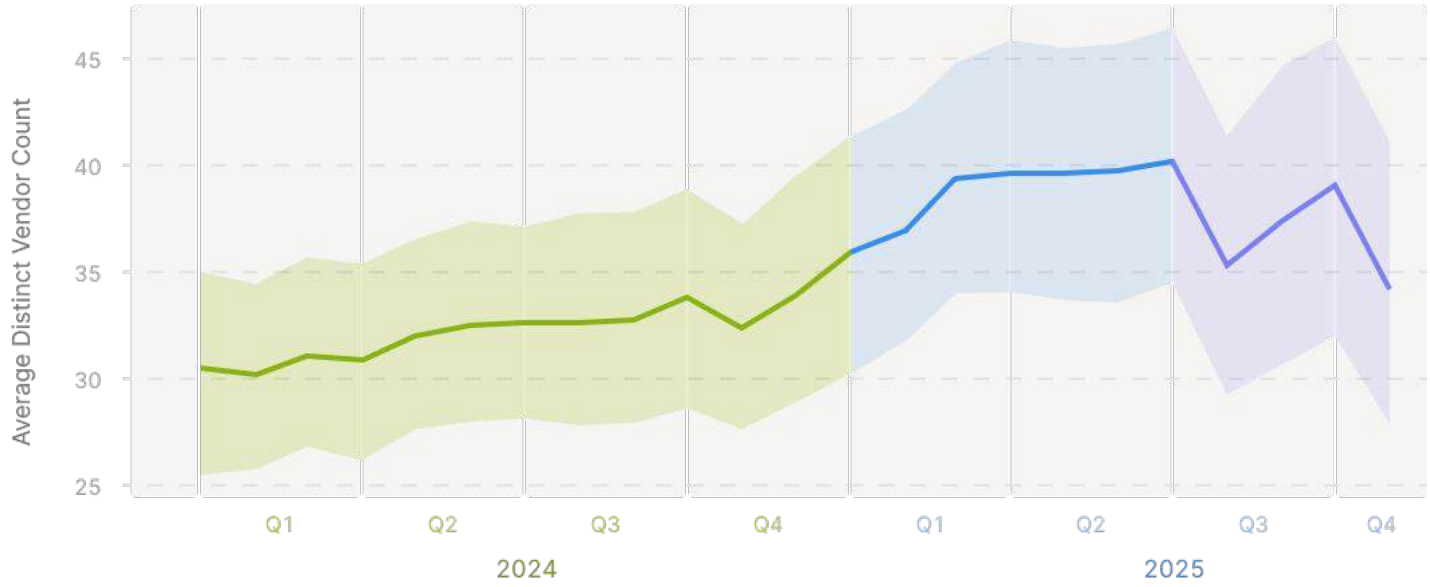


The gains were particularly concentrated in cloud storage, data infrastructure and go-to-market software.

As AI adoption moved beyond experimentation, CFOs funneled more budget into the systems that delivered operational leverage, while discretionary purchasing slowed under tighter capital conditions.

2025: The Year of Front-Loaded Growth, Then Pullback

Fig. 02 Average Monthly Active Vendors per Company (Software Only)



2024

Measured and Controlled Investment

Mid-market companies grew their software stacks slowly, adding vendors at a deliberate pace. Finance teams prioritized control over experimentation, which kept stack growth steady and spend management cautious throughout the year.

H1 2025

Front-Loaded Expansion

Software adoption accelerated sharply, with average monthly active vendors rising from 30–35 in 2024 to nearly 40 by mid-year. Growth was driven by AI-powered tools and point solutions, as teams added vendors faster than they pruned them.

H2 2025

Volatility and Pullback

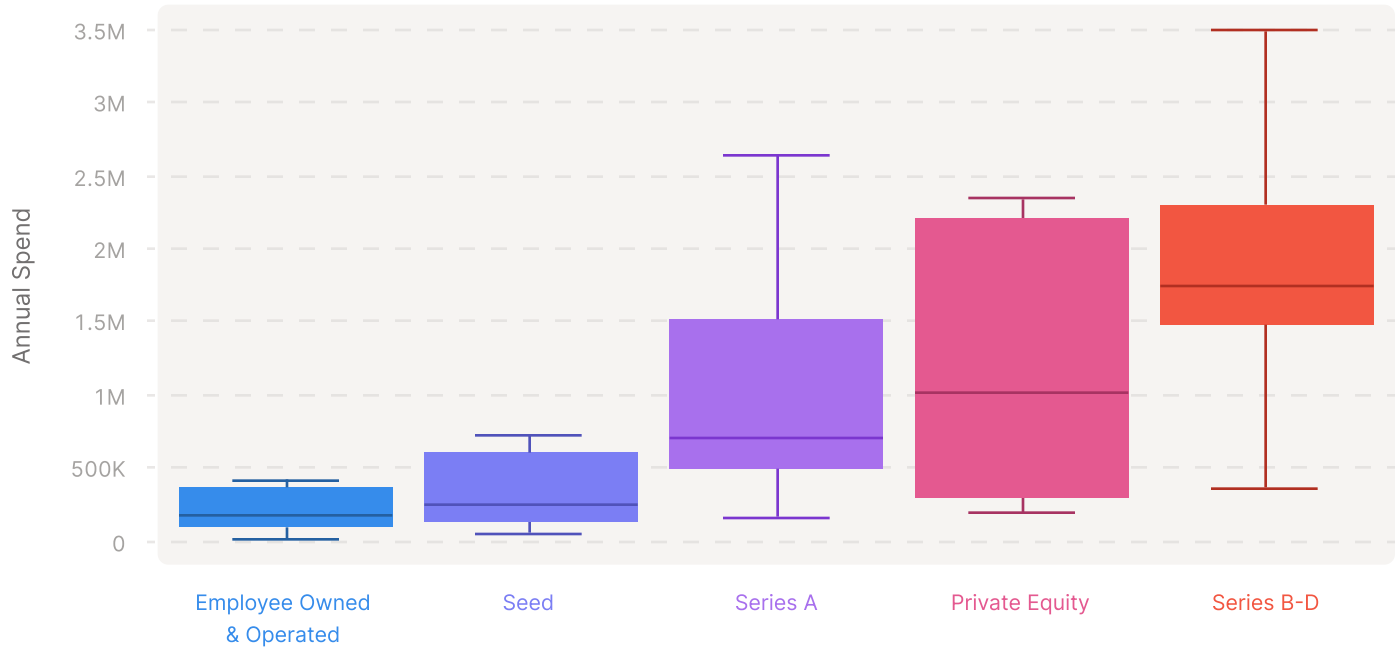
In the second half, budget pressure and macro uncertainty prompted cleanup and rationalization. Net-new vendor additions slowed as finance teams tightened controls and reassessed prior experimentation.

Software Spend by Funding Stage, Size and Industry

In 2025, software spend is more strongly correlated with employee count and industry requirements than with funding stage. Variance among later-stage companies has grown so wide that capital raised is no longer a proxy for operational and software needs.

Software Spend Scales with Funding Maturity – But Diverges at Later Stages

Fig. 03 Distribution of Annual Spend By Funding Stage



Baseline spend emerges early

At the Seed stage, companies exhibit a consistent baseline cost to operate a modern, tech-enabled business. Average annual software spend is ~$492K (median $252K), reflecting the minimum required investment in core systems rather than discretionary growth.

Step-changes at Series A and B

Material increases in software spend occur at both the Series A and Series B, when infrastructure, CRM, HRIS, security, and AI tools become operationally mandatory. Spend rises to support scale, not simply as a function of capital raised.

Late-stage variance widens

From Series B through D, software spend diverges sharply. Companies increasingly fall into two paths—aggressive expansion or active consolidation—as those that raised during the 2021 funding cycle recalibrate to today's operational realities. At these stages, software budgets signal execution strategy and efficiency discipline more than headline funding levels.

Employee Count Is the Strongest Predictor of Software Spend

Spend scales predictably with headcount.

Employee count is a highly reliable indicator of average annual software spend. As organizations grow, software investment increases in a consistent, linear fashion aligned to workforce expansion and operational complexity.

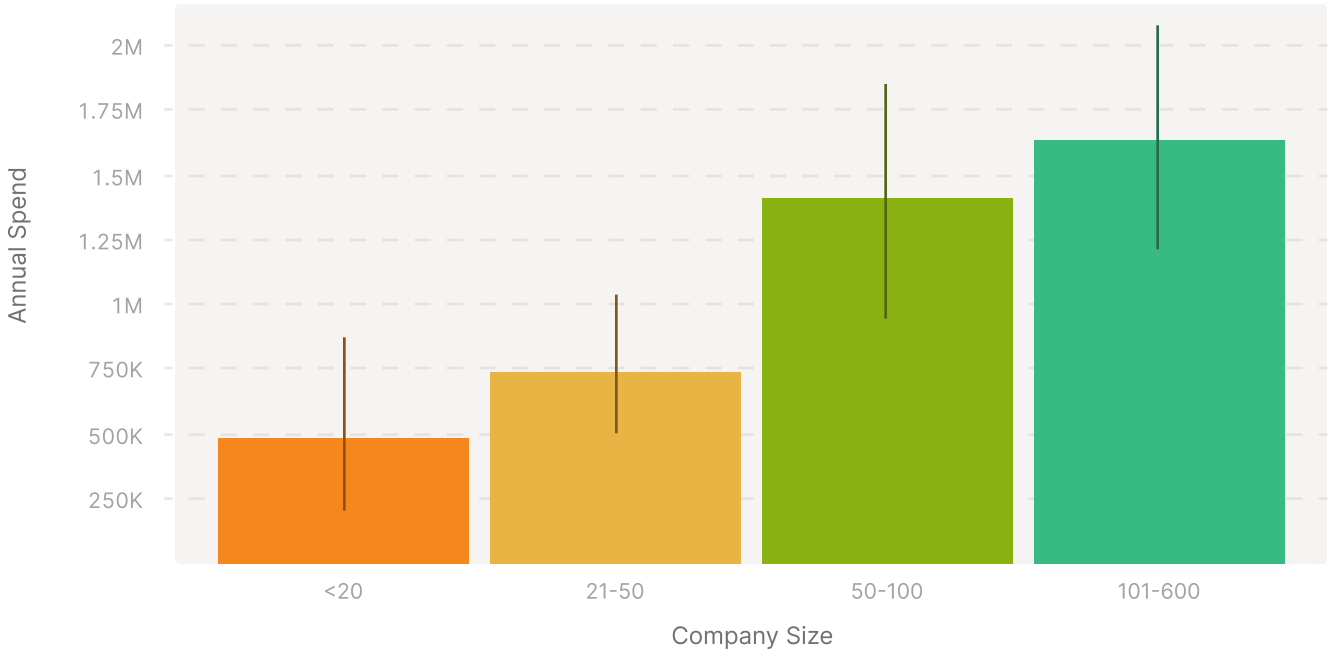
Economies of scale emerge beyond 100 employees.

Once companies surpass ~100 employees, per-employee software costs begin to decline. Per-seat pricing leverage, volume discounts, and negotiated enterprise contracts materially reduce average cost per employee, improving spend efficiency at scale.

A fixed cost floor exists at small team sizes.

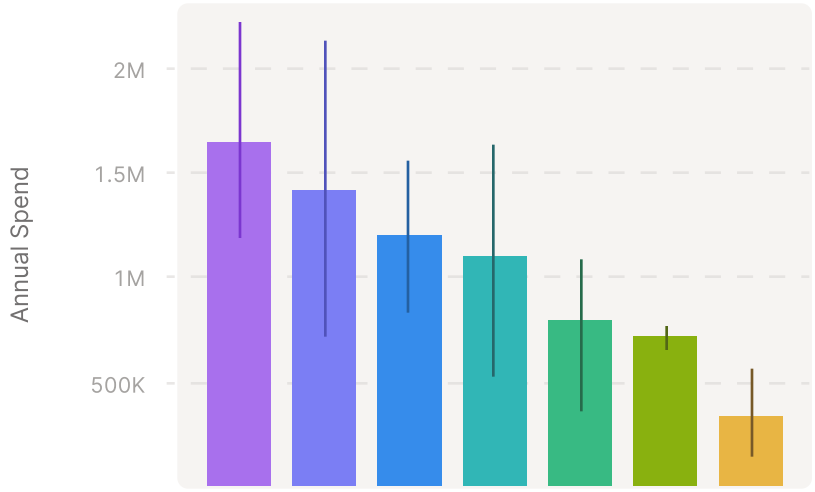
At the smallest end of the spectrum, software spend does not scale down proportionally. Companies with fewer than 10 employees still average ~$489K in annual software spend, reflecting the non-negotiable costs of core infrastructure and operational systems required to run a modern business.

Fig. 04 Average Annual Spend by Company Size (Software Only)



Software Spend Varies Significantly by Industry

Fig. 05 Average Annual Software Spend by Industry



Hospital & Health Care	$1.644M
Financial Services & Technology	$1.423M
Software	$1.193M
Consumer & Retail	$1.089M
Industrials & Energy	$782K
Non-Profit	$714K
IT & Media Services	$339K

Regulation and data sensitivity define software investment.

Industry is a strong predictor of software investment, with regulated and data-sensitive sectors such as healthcare, financial services, and technology/AI requiring heavier technology and compliance stacks. In 2025, healthcare led all industries with average annual software spend of $1.64M, reflecting elevated regulatory, confidentiality, and infrastructure requirements.

People-driven industries spend materially less.

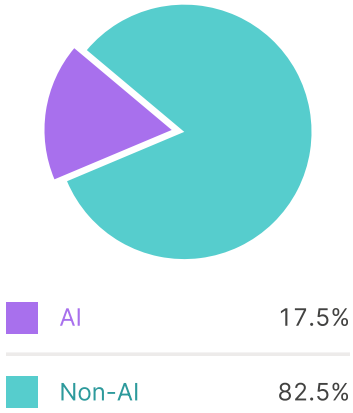
By contrast, IT and Media Services—where value creation relies more heavily on human capital than software infrastructure—spent significantly less, with average annual software spend of $339K. These gaps highlight the importance of industry context when benchmarking software budgets.

AI Spend Continues Steady Growth in 2025

Mid-market AI adoption remained strong in 2025, with AI-native tools representing 17.5% of software products and a 24% year-over-year increase in AI spend. 2026 will test whether legacy AI add-ons endure or are displaced by AI-native solutions.

AI Spend Is Rising—But the Stack Is Still in Transition

Fig. 06 AI vs. Non-AI Software Investment



AI Spend Is Still a Minority—but Growing Fast

In 2025, most mid-market software spend remains in non-AI tools ($852K annually vs. $145K for AI), but AI spend grew 23.5% YoY—from $117K in 2024 to $145K—signaling sustained momentum.

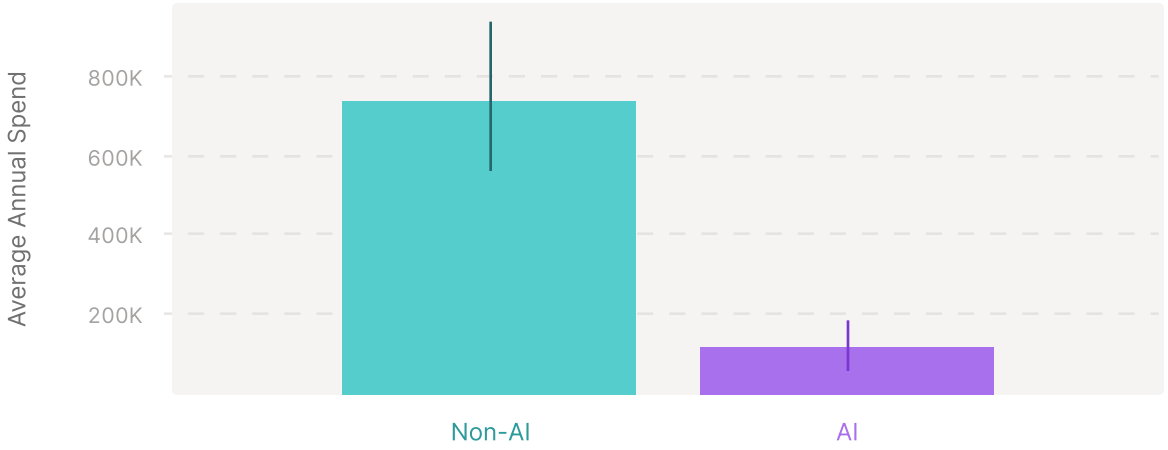
AI and SaaS Continue to Converge

Legacy vendors are rapidly adding AI capabilities, accelerating the convergence of AI and SaaS. While adoption is no longer nascent, it remains early: just 17.5% of software in use is AI-native or heavily AI-powered, and it remains unclear whether AI add-ons will endure or be displaced by AI-native platforms.

AI Adoption Expands Without a Price Premium

Technology companies lead AI adoption, and AI tools are not yet priced at a premium ($13,871 average annual price tag per AI product vs. $14,494 for non-AI). AI infrastructure is also moving into the core stack, with OpenAI rising from #8 to #5 most-used product and Cursor and Anthropic entering the top cohort.

Fig. 07 Average Annual Spend on AI Products (AI vs Non-AI)



Top 25 Software Vendors Used by Mid-Market Companies

While mid-market software stacks remained largely stable, AI infrastructure and emerging vendors started reshaping the landscape in 2025.

Top 25 Software Vendors Used in Mid-Market Companies

01 LinkedIn

02 Zoom

03 Microsoft

04 Adobe

05 OpenAI

06 DocuSign

07 Figma

08 GitHub

09 Slack

10 Amazon Web Services

11 Hubspot

12 Zapier

13 Salesforce

14 Twilio

15 Carta

16 Dropbox

17 GoDaddy

18 1Password

19 Calendly

20 Loom

21 Notion

22 Google

23 Cursor

24 Intuit

25 Anthropic

The Core Stack Holds, AI Moves In

In 2025, mid-market companies largely maintained their existing vendor stacks but supplemented them with new solutions. AI infrastructure moved from experimental adoption into the “must-have” stack, while the Top 25 most-used software vendors remained remarkably consistent year over year.

Many new software entrants began gaining traction, reflected in rising spend and total new vendor counts each month. Although these newcomers haven’t yet displaced the Top 25 incumbents, the rise of OpenAI and other AI technologies shows the list could shift quickly as innovative solutions gain adoption.

The top of the stack remained largely unchanged.

LinkedIn	↑ 10.5% YoY
Zoom	↑ 3.6% YoY
Microsoft	↑ 6.1% YoY
Adobe	↑ 15.6% YoY

AI infrastructure moved into the core vendor set... while some legacy moved out

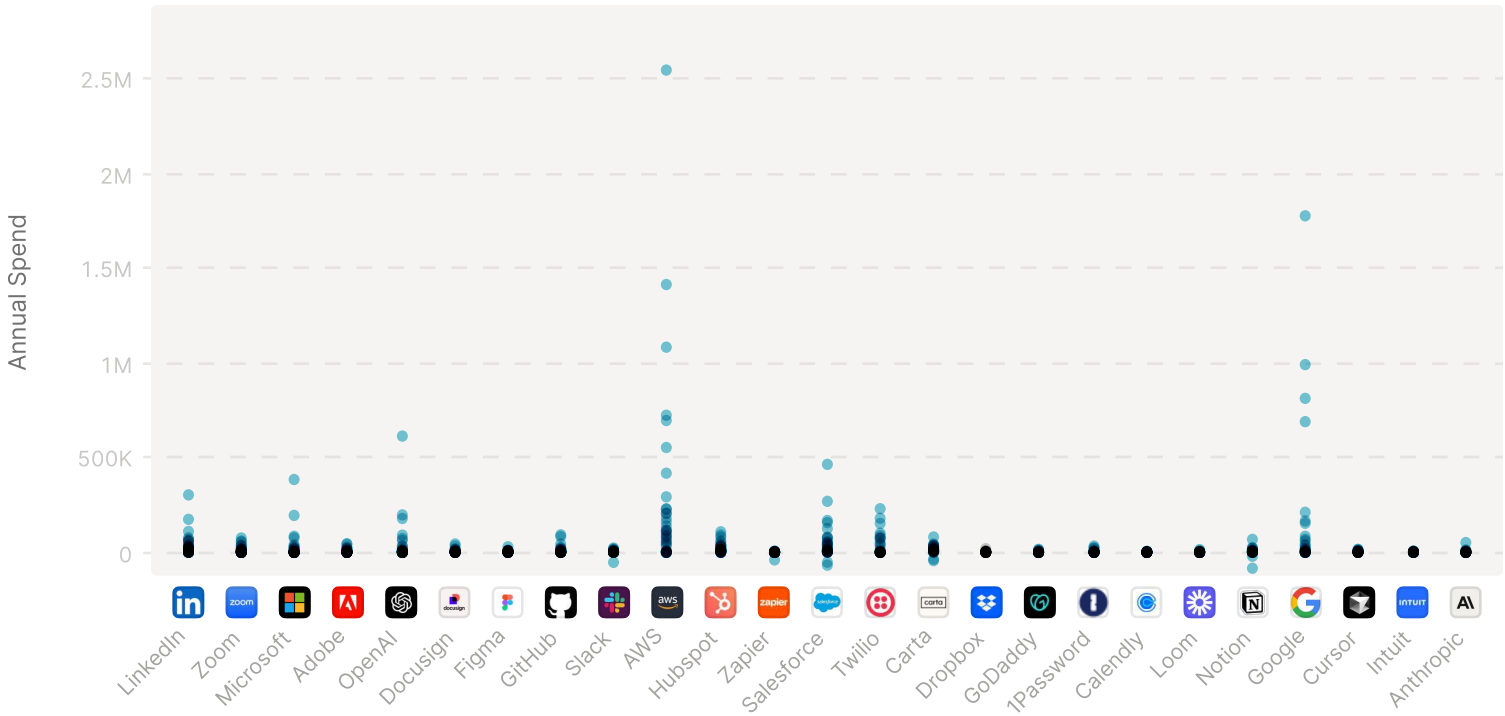
OpenAI saw a sharp increase in usage, moving into the top five most-used vendors by buyer count with adoption increasing by +27.5% YoY

Cursor and **Anthropic** entered the top 25 for the first time, signaling expanding adoption of AI development and model platforms beyond early adopters.

Sentry, **Zendesk**, and **Typeform** appeared in the top 25 most-used vendors in 2024 but did not make the 2025 list given slight reduction in customer subscriptions and the emergence of new AI tools.

Spend dispersion widened across platform vendors.

Fig. 08 Distribution of Annual Spend per Product (Top 25)



Spend per buying company was highly dispersed across major platform vendors in 2025. Vendors such as Google and AWS showed a broad range of annual spend across buyers in 2025, indicating that the same vendor can represent a lightweight tool for one company and a critical, high-cost infrastructure dependency for another. This dispersion underscores the growing importance of monitoring usage-based pricing, scale effects, and maturity-driven consumption patterns.

2025 Winners and Losers

In 2025, growth centered around vendors enabling AI-driven workflows and new collaboration patterns. At the same time, vendors with year-over-year declines reflect consolidation and displacement—underscoring how quickly momentum can shift as AI and software stacks evolve.

Top 5 Highest Growth Vendors

In 2025, several vendors saw strong adoption gains, driven by AI and evolving collaboration needs. AI infrastructure leaders like Cursor, Anthropic, and OpenAI grew as companies integrated AI into core workflows. Google Workspace adoption rose as some organizations moved from Microsoft Teams, while Loom gained from the surge in asynchronous video communication.

- **Cursor**
- **Anthropic**
- **Google Workspace**
- **Loom**
- **OpenAI**

Bottom 5 Vendors

Conversely, among 2,271 studied software vendors, several experienced declines in subscriptions and client counts. Crunchbase, Lenovo, Navan, Tableau Software, and Greenhouse saw notable reductions, reflecting product displacement, consolidation, or changing priorities and highlighting that even established players must adapt to evolving technology trends.

- **Crunchbase**
- **Lenovo**
- **Navan Inc.**
- **Tableau Software, Inc.**
- **Greenhouse**

2026
Trends to Watch

AI reshapes software economics, governance priorities, and vendor management in 2026.

2026 Trends to Watch

AI Becomes Ubiquitous Across Software Products

Enterprise software is rapidly moving from optional AI features to standard capabilities. Today, it represents 17.5% of mid-market usage, with over 80% of vendors expected to embed AI by end of 2026.

AI Redefines Pricing Models

Outcome- and usage-based pricing are replacing traditional per-seat or flat fees as AI handles more complex tasks.

Trust, Security, and Governance Rise

As AI grows more capable and autonomous, investment in identity, privacy, auditability, and safe AI frameworks will become a compliance priority.

AI Powers Finance Automation

In 2025, AI redefined coding, support, and go-to-market tools. In 2026, it will increasingly automate finance processes—like invoicing, reconciliation, renewals, and reporting—delivering measurable efficiency and accuracy gains.

Portfolio Optimization Over Acquisition

With increasingly complex vendors, focus shifts to pruning, rightsizing, and renegotiating. CFOs will begin managing vendors like a portfolio to maximize ROI, monitor risk, and reduce unnecessary spend.

What Best-in-Class CFOs Will Do Differently in 2026

How leading finance teams adapt as AI reshapes software economics and business risk.

Practical Actions for 2026

- **Be prepared to evaluate – and switch to – AI-native platforms.**

  Not all AI is equal. Legacy vendors may bolt on features, while AI-native platforms can deliver superior efficiency, automation, and long-term ROI. CFOs should assess true AI-driven value and prioritize mid- and long-term returns over sunk costs or vendor familiarity.

- **Plan for usage-driven volatility.**

  With consumption- and outcome-based pricing on the rise, budgets built on static seat counts will break. CFOs should monitor usage in real time, build variance buffers, and align spend to actual consumption.

- **Tighten governance for AI-enabled vendors.**

  As AI grows more autonomous, Finance should partner with IT, Security, and Legal to set standards for data access, auditability, compliance, and risk ownership before AI outpaces internal controls.

- **Automate Finance where ROI is immediate.**

  Prioritize AI in invoice processing, reconciliations, renewals, and reporting to gain efficiency and reduce manual risk, rather than limiting AI to general productivity tools.

- **Manage vendors as a portfolio, not a list.**

  CFOs should optimize vendor portfolios—assessing ROI, business risk, criticality, redundancy, and dependency—using annual renewals to consolidate, renegotiate, or exit. Real-time visibility across all vendors, including AI, software, and services, is essential.

Methodology

A concise summary of how the dataset was built and interpreted.

To understand how software purchasing shifted in 2025, Stackpack analyzed anonymized vendor, contract, and spend data from 78 Stackpack customers. The dataset reflects **actual financial activity**, not modeled estimates or surveys.

Dataset Overview

- Companies: 78
- Software products analyzed: 2,271
- Monthly transaction records: 53,096
- Timeframe: January 1, 2024 – December 17, 2025

How to Interpret This Report

Findings are directional, not prescriptive. The report highlights:

- Where spend increased or tightened
- How AI reshaped budgets
- Which vendors gained or lost traction

This analysis gives Finance leaders a grounded, market-level benchmark to compare against their own stack and roadmap.

About Stackpack

Stackpack centralizes every vendor, contract, and dollar of spend into a single system of record, automatically synced from your accounting systems.

Trusted by Finance & Operations Teams

unify · Stride · candidly · BIZZYCAR · Kafene · Rho · EVERY MAN JACK. · Envoy

Next Step for CFOs

Stackpack can be set up in 5 minutes, with clear visibility into spend and leverage within 24 hours.

Want a free custom analysis of your software spend & savings opportunities?

Schedule